

Assignment 4

Textbook Assignment: "Receipts and Expenditures (continued) and Ship's Store Operations."
Pages 5-5 through 6-4.

Learning Objective: Identify the procedures for checking, processing, posting, and distributing various types of documents. (Continued)

IN ANSWERING QUESTIONS 4-1 THROUGH 4-6 REFER TO THE AUDITING OF POSTING PROCEDURES.

- 4-1. When correct posting procedures are followed, discrepancies in counting between the authorized inspector and the receiving storekeeper should be rare events.
1. True
 2. False
- 4-2. As an auditor, you should establish a system by which you can examine the receipt procedures used by your recordskeeper.
1. True
 2. False
- 4-3. The amount posted to your Journal of Receipts should represent the amount that results from correct posting procedures. Which of the following series of steps represents the correct sequence to be followed?
1. Basic cost of merchandise, less discount (if any), less credit (if any), plus transportation
 2. Basic cost of merchandise, plus transportation, less credit (if any), less discount (if any)
 3. Basic cost of merchandise, less discount (if any), plus transportation, less credit (if any)
 4. Basic cost of merchandise, less credit (if any), plus transportation less discount (if any)

- 4-4. In a combined operation, receipts posted in the Financial Control Record (NAVSUP 235) should be at what value?

1. Coat price only
2. Retail price only
3. Cost price less credit
4. Cost price less discount

- 4-5. posting copies of receipt documents should be initialed to show that all posting has been done.

1. True
2. False

Learning Objective: Recognize the auditing procedures to be followed in the processing and distribution of dealers' bills.

- 4-6. In processing a dealer's bill for payment, all of the following documents must be forwarded as supporting documents EXCEPT which one?

1. One copy of the DD Form 1155
2. The authorized inspector's original certification copy of the DD Form 1155
3. The responsibility copy of the DD Form 1155
4. The original and three copies of the dealer's bill

- 4-7. You should submit dealer's bills for payment to which of the following persons or activities?

1. Navy Finance Center
2. Navy Accounts and Finance Center, Washington, D.C.
3. Local disbursing officer
4. Nearest paying activity for preparation of public vouchers and payment (FAAOC)

4-8. Within what total number of days from the date of receipt of the material or dealer's bill (whichever is later) should you forward the dealer's bills for payment?

1. 5 days
2. 10 days
3. 15 days
4. 30 days

4-9. Which of the following forms should you attach to an invoice that offers a discount?

1. NAVCOMPT Form 154
2. NAVCOMPT Form 442
3. NAVSUP Form 448
4. NAVSUP Form 1075

4-10. Under fast pay procedures, what individual or organization assumes responsibility and risk for supplies that have not been received?

1. The supplier
2. The receiver
3. The shipper
4. The factory

4-11. Under fast pay procedures, as long as the supplier is notified within 90 days after delivery, the responsibility and risk condition on a shipment of ship's store stock remains in effect for what maximum period of time?

1. 90 days
2. 180 days
3. 365 days
4. Forever

4-12. Which of the following persons or commands should be notified in cases of shipments in which merchandise is damaged, not received, or not in conformance with the DD Form 1155?

1. The supplier
2. NAVRESSO (Code SSD)
3. Both 1 and 2 above
4. NAVSUP

4-13. Receipts from all sources of procurement should be filed together?

1. True
2. False

Learning Objective: Identify the procedures by which stowage, intrastore transfers, and other types of movement of ship's store stock are accomplished and documented.

4-14. Which of the following security measures will help you to prevent pilferage of ship's store stock?

1. Storing ship's store stock in locked spaces
2. Prohibiting entry of unauthorized persons into storerooms (except in emergencies), when the bulk storeroom custodian is not present
3. Stowing ship's store stock only in compartments or storerooms that are under the custody of the responsible custodian
4. All of the above

4-15. When bulk stores are being inventoried, what person must be on hand during the inventory?

1. Leading petty officer
2. Storeroom custodian
3. Supply officer
4. Ship's store officer

4-16. Which of the following actions should you take to ensure good stock rotation?

1. Mark all cases with the month and year of receipt
2. Use NAVRESSOINST 4067.4 to establish the date of manufacture
3. In the receipt process, move out old stock and put the new on bottom of the pallet
4. All of the above

4-17. At times, manufacturers age and stowage codes can be obtained from which of the following persons/resources?

1. Leading supply chief
2. Supply officer
3. Both 1 and 2 above
4. NAVRESSOINST 4067.4

4-18. Ventilation, temperature, and humidity are storage factors that require special attention in the storage of which of the following types of stock?

1. Watches and jewelry
2. Radios and tape recorders
3. Film and fountain supplies
4. Soap and toothpaste

4-19. What are the two types of intrastore transfers?

1. Breakouts and transfers
2. Transfers and issues for use
3. Breakouts and issues to use
4. Transfers and surveys

4-20. What document should you use to account for the movement of stock from the bulk storeroom to the ship's store?

1. NAVSUP 973
2. DD Form 1155
3. NAVSUP 1250
4. DD Form 1348

4-21. Under which of the following conditions are Intrastore Transfer Data form NOT required for stock movement?

1. In a separate operation
2. In a walk-in store operation
3. In a combined operation
4. In an issue for use

Learning Objective: Recognize the differences in the receipt procedures to be followed when stock is received aboard a ship with a supply corps officer and aboard a ship without an assigned supply corps officer.

QUESTIONS 4-22 THROUGH 4-26 REFER TO A SHIP'S STORE AFLOAT OPERATION IN A SHIP WITHOUT A SUPPLY CORPS OFFICER ASSIGNED.

4-22. A shipment is received from another supply officer and there is a shortage. Which of the following actions should be taken for processing of the receipt documents?

1. The original should be signed, the quantity indicated should be accepted, and the loss should be surveyed
2. The recordskeeper should list the quantity of the shortage on the original and all copies of the receipt document and should then sign the original and return it to the transferring activity
3. The recordskeeper should list the quantity of the shortage on the original and all copies of the receipt document, then the ship's store officer should sign the original and return it to the transferring activity
4. The ship's store officer should sign the original receipt document, indicate the quantity of shortage, and return the original to the transferring activity for correction

4-23. When a shortage occurs on a delivery from a commercial carrier, on what document should you record the shortage information when your ship has no Supply Corps officer?

1. The dealer's invoice
2. The original purchase order
3. The government bill of lading or other shipping document
4. The receipt document taken from the outstanding purchase order file

- 4-24. On a ship without a Supply Corps officer, what person should enter the quantity and unit retail price on all copies of the receipt document?
1. The responsible custodian
 2. The ship's store officer
 3. The authorized inspector
 4. The recordskeeper

- 4-25. If you are on a ship without a Supply Corps officer, to which of the following records should you post the quantity of a stock item received and any changes in unit cost or selling price?
1. Journal of Expenditures
 2. Journal of Receipts
 3. Stock Tally Card
 4. Financial Control Record

- 4-26. When stock is received on a ship without a Supply Corps officer, a total of how many copies of the receipt document should be forwarded to the appropriate FAADC at the end of each month?
1. One
 2. Two
 3. Three
 4. Four

Learning Objective: Identify the different types of expenditures for ship's store stock in terms of methods and accountability, and determine the correct procedures for documenting the various kinds of expenditures.

UNLESS OTHERWISE STATED, ALL QUESTIONS REFER TO SHIP'S STORES AFLOAT WITH SUPPLY CORPS OFFICERS ASSIGNED.

- 4-27. Which of the following methods represent the correct expenditure procedure for ship's store stock?
1. Transfers
 2. Surveys
 3. Sales
 4. All of the above

IN ANSWERING QUESTIONS 4-28 THROUGH 4-31, SELECT FROM COLUMN B THE CORRECT STATUS OF ACCOUNTABILITY THAT RESULTS FROM THE METHOD OF EXPENDITURE OF SHIP'S STORE STOCK LISTED IN COLUMN A AS THE QUESTION.

A. <u>METHODS OF EXPENDITURE</u>	B. <u>ACCOUNTABILITY</u>
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|----------------|--|
| 4-28. Transfer | 1. Increases |
| 4-29. Issue | 2. Reduces |
| 4-30. Survey | 3. Either 1 or 2 above, as appropriate |
| 4-31. Sales | 4. Remains the same |
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- 4-32. When you transfer material from your excess stock list to another supply officer, what price should you use?
1. Retail price
 2. Cost price
 3. Price set by the transferring officer
 4. Cost plus 5% surcharge

- 4-33. What is the recommended way for your ship's store to handle a request for merchandise from the Marine Corps or from a ship operated by the Maritime Administration?

1. As a transfer to another government
2. As an issue to end use
3. As a gratuity
4. As a cash sale

- 4-34. Which of the following issues is an issue for use?

1. An Issue to survivors of a marine disaster
2. An issue of clothing of individual sizes for personnel servicing in the general mess
3. Articles of clothing for burial of the dead
4. Bleach and soap to the laundry

- 4-35. What primary factor do you need to consider in determining whether You should prepare a breakout or an issue for use document?
1. The purpose of the transfer
 2. The transferring activity
 3. The activity from which the material was originally received
 4. The cost of the item
- 4-36. Which of the following issues for use is chargeable to the ship's OPTAR rather than your ship's store profits?
1. Decorator kit to the ship's store
 2. Repair part to a vending machine
 3. Clothing to the repair division
 4. soap to the laundry
- 4-37. To which of the following appropriations should surveys for ship's store stock be charged?
1. Navy Stock Fund
 2. Ship's Store Profits, Navy (General Fund)
 3. Ship's Store Profits, Navy (own ship's)
 4. All of the above
- 4-38. Which of the following damages will NOT be covered by the Navy Stock Fund (NSF)?
1. Fire in the storeroom resulting from bad wiring
 2. Flood of water in the storeroom
 3. Merchandise damaged from negligence on part of ship's store personnel
 4. Merchandise damaged as a result of ship's repairs
- 4-39. Which of the following commands maintain(s) the Ship's Store Profits, Navy (General Fund)?
1. NAVSUP
 2. NAVRESSO
 3. NAVSEA
 4. All of the above
- 4-40. For surveyed material subsequently received, the recordskeeper posts a red ink entry in which of the following records?
1. Applicable stock records
 2. Journal of Expenditures
 3. Roth 1 and 2 above
 4. Journal of Receipts
- 4-41. Which of the following items of stock must always be revalued by survey?
1. Tax-Free cigarettes
 2. Foreign merchandise
 3. Navy clothing
 4. Special order items
- 4-42. When an item of Navy clothing is revalued from the standard price of \$10, at what price should it be listed for resale in the store?
1. \$7.00
 2. \$2.50
 3. \$5.00
 4. \$4.50
- 4-43. As the leading Ship's Serviceman, which of the following concerns should you have regarding price changes?
1. The authority to supervise the procedures involved in accomplishing a change
 2. An awareness of the reasons for and causes of price changes
 3. The authority to advise the ship's store officer when a price change is needed
 4. The authority to exercise all of the concerns above
- 4-44. All gains and lessee resulting from voluntary price changes are credited or charged to which of the Following funds, appropriations, or accounts?
1. Ship's Store Profits, Navy
 2. Operating funds for the ship
 3. Navy Stock Fund
 4. Profits of the ship's store
- 4-45. A reasonable number of markdowns during an accounting period is a good indication that you are accomplishing which of the following goals?
1. Operating a clean ship's store
 2. Maintaining adequate financial records
 3. Using good buying practices
 4. Exercising some degree of stock control
- 4-46. At which of the following times should you mark down seasonal items?
1. At the beginning of the season
 2. Just prior to the end of the season
 3. At the end of the season
 4. At any of the above times

4-47. Which of the practices below represents the best guideline you can follow for making markdowns?

1. Mark down items progressively
2. Mark down items sufficiently to sell them
3. Mark down items to cost and when sales increase, make a markon
4. Mark down all items to cost which are left over after each accounting period

4-48. Which of the following situations represents the most common involuntary price change?

1. Perishable stock, such as candy or film, reduced to cost because it is old
2. Standard price adjustment for Navy clothing
3. Defective or dirty merchandise which cannot be returned to the vendor marked down to 50% of cost
4. A purchase variance

4-49. Claims for property lost, destroyed, or damaged to a service member in the U.S. Navy should be charged to the ship's store profits.

1. True
2. False

4-50. After what total number of days are perishable and catalog items considered excess stock?

1. Excess of 180 days
2. Excess of 240 days
3. Excess of 30 days
4. Excess of 90 days

4-51. Excess stock can be expended in which of the following ways?

1. Transfers to other supply officers
2. Reductions in price for sale on board
3. Returns to vendor for cash, credit, exchange
4. All of the above

PERIODICALLY, YOU SHOULD AUDIT EXPENDITURE DOCUMENTS TO MAKE CERTAIN YOUR SHIP'S STOCK RETURNS CAN BE COMPLETED ACCURATELY. IN ANSWERING QUESTIONS 4-52 THROUGH 4-55, SELECT FROM COLUMN B THE DOCUMENTATION YOU SHOULD AUDIT FOR THE TYPE OF EXPENDITURE LISTED IN COLUMN A AS THE QUESTION.

A. TYPE OF EXPENDITURE	B. DOCUMENTATION
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|--------------------|--------------------|
| 4-52. Transfer | 1. DD Form 200 |
| 4-53. Issue | 2. NAVSUP Form 973 |
| 4-54. Price change | 3. NAVSUP Form 983 |
| 4-55. Survey | 4. DD Form 1149 |

Learning Objective: Identify the role of the senior Ship's Serviceman as a supervisor as this role relates to the ship's store operations and customer service.

4-56. As a senior ship's Servicemen, you will find that your principal function in the retail operation will be as a supervisor of various activities.

1. True
2. False

4-57. As a supervisor of the retail store operations, you will be responsible for all of the following duties EXCEPT which one?

1. Helping to select an effective store operator
2. Improving customer service
3. Training the store operator
4. Serving as the sales officer

4-58. Based upon fleet experience, the best policy you can follow is to ensure that the operator of a retail activity is rotated at least how often?

1. Every 12 months
2. Every 2 accounting periods
3. Every 3 months
4. Every 4 accounting periods

4-59. It will usually take at least how long for a new ship's store operator to acquire a good knowledge of a retell operation associated record, and controls?

1. 6 months
2. 2 months
3. 9 months
4. 4 months

4-60. The practice of allowing one operator to function in a ship's store for too long usually promotes which of the following conditions?

1. Increased customer satisfaction
2. Reduced shoplifting
3. Invitation of collusion
4. Increased sales

4-61. The personality and ability of your ship's store operator will have no effect on customer satisfaction.

1. True
2. False

4-62. All of the following assets are important character traits and attributes that a good ship's store operator should possess. Of these characteristics, which one is LESS important, as a rule, than the other three?

1. Honesty
2. Dependability
3. Freedom from excessive financial worries
4. Better than average mathematical ability

4-63. Your operator's personality should be basically pleasant, or at least inoffensive and consistent.

1. True
2. False

4-64. Which of the following personal qualities is/are considered to be necessary for a store operator to be effective?

1. Willingness to learn
2. Honesty
3. Dependability
4. All of the above

Learning Objective: Recognize the principles involved in creating effective displays and signs and how outside assistance can be provided by NAVRESSO for improvements to the ship's store.

4-65. What is the overall basic purpose of any ship's store?

1. To generate profits for the Recreation Fund
 2. To train personnel for advancement
 3. To sell merchandise
 4. To serve its patrons
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IN ANSWERING QUESTIONS 4-66 THROUGH 4-72, SELECT FROM COLUMN B THE RECOMMENDED AREA FOR DISPLAY OF THE MERCHANDISE LISTED IN COLUMN A.

<u>A. MERCHANDISE</u>	<u>B. DISPLAY AREAS</u>
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|---|---|
| 4-66. Cigarettes | 1. Golden area |
| 4-67. Small items | 2. Bottom or lower shelves |
| 4-68. Large items | 3. Area visible to ship's store operator |
| 4-69. New items | |
| 4-70. Pilferable items | 4. Area readily accessible to ship's store operator |
| 4-71. Expensive items | |
| 4-72. Fast-moving items | |
| 4-73. Display arrangements should be influenced the most by which of the following factors? | |
| | 1. Correlation of items |
| | 2. Prevention of pilferage |
| | 3. Attractiveness |
| | 4. Customers' convenience and ease in shopping |
| 4-74. Which of the following factors should you consider when you are improving your store? | |
| | 1. Layout |
| | 2. Location |
| | 3. Condition of equipment on hand |
| | 4. All of the above |

4-75. You have determined that several areas of your ship's store are in need of improvements and you have discussed your recommendation and findings with the ship's store officer. What should be your next step for acquiring these improvements?

1. Complete a letter request to NAVRESSO for permission to modernize
2. Place an order for the required supplies
3. Place an order for the required services
4. Have all minor equipment replaced